

# STTM EVENT REPORT – GAS DAY 16 NOVEMBER 2011

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## Glossary

<b>Terms or Abbreviations</b>	<b>Explanation</b>
AEMO	Australian Energy Market Operator
AEST	Australian Eastern Standard Time
Epic Energy	Facility operator of the Moomba to Adelaide pipeline
FTP	File Transfer Protocol
MAP	Moomba to Adelaide Pipeline
NGR	National Gas Rules
STTM	Short Term Trading Market

## 1 Summary and purpose

On 15 November 2011, Epic Energy did not submit a facility hub capacity file for the Moomba Adelaide Pipeline (MAP) at the Short Term Trading Market (STTM) Adelaide hub for gas day 16 November 2011 by the 09:30 AEST cut-off time.

In accordance with the National Gas Rules (NGR) and STTM Procedures, the window for submission of this data was extended to 11:00 AEST for Epic Energy. Epic Energy submitted the facility hub capacity for the MAP facility before the extended cut-off time of 11:00 AEST. This update notice was used as an input into the Adelaide hub ex ante market price for gas day 16 November 2011.

This report reviews the outcomes of these events.

## 2 Event reporting requirements

On 16 June 2011, changes to the STTM validation and price setting processes became operational. The intent of these changes was to provide STTM facility operators<sup>1</sup> with an ability to rectify possible data errors or confirm that flagged data is correct before that data is used in the STTM scheduling and price setting process.

Section 7.6 of the STTM Procedures requires AEMO to publish a report<sup>2</sup> if:

- data submitted to AEMO by an STTM facility operator under rules 414 or 419 of the NGR fails validation, and has lead to confirmation or substitution of data; or
- an STTM facility operator fails to provide data under rule 414 and 419 and this has lead to substitution of data.

AEMO must publish the report within 30 business days of the conclusion of the event.

## 3 Facility hub capacity and the ex ante market

STTM facility operators provide AEMO with daily estimates of the capacity that their STTM facility has available to deliver gas to the hub on the following three gas days. The hub capacity of the STTM facility limits the quantity of gas the STTM will schedule for delivery to the hub from that facility on a gas day.

Because the facility hub capacity can have an effect on the resulting ex ante schedule, AEMO validates data submitted daily by the facility operators. If the data submitted by the facility operator breaches the validation thresholds or no data is submitted by the required cut-off time on D-1 (09:30 AEST for the Adelaide and Sydney hubs, and 11:00 AEST for the Brisbane hub), then the submission window will be extended for a maximum of 1.5 hours to allow the facility operator time to either confirm that the submitted data is valid, or submit new data.

If the facility operator fails to submit hub capacity data by the required time (which in the case of the ex ante schedule, can be extended), the provisional hub capacity information submitted on previous days for the relevant gas day will be used. If no data is available, then the registered default capacity of the STTM facility is used to generate the market schedule and provisional schedule.

<sup>1</sup> An STTM facility operator is defined as the operator of an STTM pipeline, STTM storage facility, or an STTM production facility.

<sup>2</sup> Under clause 7.6 of the STTM Procedures, the report must include: a description of the event; AEMO's assessment of the actions taken by STTM facility operators and AEMO in relation to the event; AEMO's assessment of the effect of the event on the operation of the STTM; and any other matter than AEMO considers relevant.

## 4 Description of events

On 15 November 2011, Epic Energy did not submit a facility hub capacity file for the MAP facility by the required cut-off time of 09:30 AEST for gas day 16 November 2011.

At 09:31.08 AEST Epic Energy submitted a facility hub capacity file for gas day 16 November for the MAP facility. At 12:01 AEST, AEMO published the ex ante market price using the submitted data for gas day 16 November 2011. The ex ante market price for the Adelaide hub was \$4.0000/GJ.

## 5 Epic Energy comments

Epic Energy advised that the facility hub capacity data is generated as a file by Epic Energy's allocation system, and sent via File Transfer Protocol (FTP). On 15 November 2011, the file was generated, however the FTP scheduler locked up, disabling transmission of the file.

Epic Energy has advised that it has a response mechanism in place for responding to this lock-up, which functioned as expected. However, the time taken to diagnose the source of the lock-up and carry out the corrective action was unusually long, due to a previously unseen cause.

Once the cause of the lock-up was rectified, the facility hub capacity data was sent and acknowledged as received by AEMO IT systems at 09:31:16 AEST, prior to the market warning being sent. The delivery of the hub capacity data was well before the extended cut-off time of 11:00 AEST, and thus was available to be used in the ex-ante scheduling process.

Epic Energy has advised that it is organising an upgrade to remove the cause of the lock-up by the allocation system vendor. Epic Energy will continue to monitor the FTP scheduler for future lock-ups.

In order to further reduce the risk of late delivery of data if there are system locks, Epic Energy will bring forward the window for generation and transmission of the file.

## 6 AEMO's assessment of the actions taken

EPIC did not submit the facility hub capacity by the cut-off time (09:30 AEST for Adelaide) in accordance with rule 414(1) on 15 November 2011 for gas day 16 November 2011. However, EPIC was able to submit hub capacity information shortly after 09:30 AEST, which was before the extended cut-off time (11.00 AEST for Adelaide).

Market reports of missing data operated as expected. Under Section 7.1.3A of the STTM Procedures, AEMO must notify a facility operator of missing data under rule 414(2A). This was undertaken by SMS/e-mail messages to the facility operator contacts that are registered in the AEMO systems if no data is received by 09:30 AEST.

Under section 7.1.4 of the STTM Procedures, AEMO must make the capacity information available to trading participants. AEMO notified the trading participants by SMS/e-mail. This was performed as follows:

- Report INT653 – Ex Ante Pipeline Data report which is published just after 09:30 AEST showed the facility hub capacity the market would use for MAP for the upcoming gas day as 145,000 GJ. This is the D-2 hub capacity previously submitted by Epic Energy.

The same report published at 11.00 AEST showed the facility hub capacity for Epic Energy as 120,000 GJ. This is the updated quantity submitted by Epic Energy at 9.31.08 AEST.

- SMS/e-mail messages were sent to 24-hour contacts that are registered in AEMO systems for the affected hub advising them that Epic Energy had failed to submit a hub capacity at 09.30 AEST.

AEMO systems operated as expected. The ex ante market price and schedules for gas day 16 November 2011 were produced before 13:00 AEST for the Adelaide hub using the updated hub capacity data submitted by Epic Energy prior to 11.00 AEST for the MAP.

## 7 Market Impacts

While Epic Energy did not submit the facility hub capacity for the MAP by the 09:30 AEST cut-off time, it was delivered to AEMO before the extended cut-off time of 11:00 AEST, did not breach warning thresholds and was used in the ex-ante scheduling process. As a consequence, the calculation of the ex ante market price was not affected by the late submission.

AEMO considers that in this instance the revised process introduced in June 2011 which introduced amendments to the validation and price setting process have been effective in ensuring correct market outcomes.

There have been no reported impacts from any trading participant.

The facility hub capacity is published in the INT653 Ex Ante Pipeline Data report and the ex-ante market price is published in the INT651 Ex-ante Market Price report.

These reports are available from the AEMO website at:

[http://www.aemo.com.au/data\\_gas/sttm\\_data.html](http://www.aemo.com.au/data_gas/sttm_data.html).